

AGENDA



Thursday, June 21, 2007

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION**

Item No. 80

Subject: Authorize award and execution of two 24-month requirements supply contracts with SIEMENS POWER TRANSMISSION & DISTRIBUTION, New Braunfels, TX, in an estimated amount not to exceed \$986,644 and POWER SUPPLY, Austin, TX in an estimated amount not to exceed \$254,596 for 15kV circuit breakers, with two 12-month extension options in an estimated amount not to exceed \$493,322 and \$127,298 respectively per extension option, for total estimated contract amounts not to exceed \$1,973,288 and \$509,192 respectively.

Amount and Source of Funding: Funding in the amount of \$155,156 is available in the Fiscal Year 2006-2007 Operating Budget of the Austin Energy Department. Funding for the remaining 21 months of the original contract period and extension options is contingent upon available funding in future budgets.

Fiscal Note: There is no unanticipated fiscal impact. A fiscal note is not required.

For More Information: Dolores Castillo, Senior Buyer, 322-6466

Purchasing Language: Lowest bids of two bids received.

MBE/WBE: This contract will be awarded in compliance with Chapter 2-9D of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program) No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

This contract will provide five types and sizes of replacement 15kV circuit breakers. These vacuum circuit or feeder breakers will be used to replace air magnetic type breakers at Hamilton, Koenig Lane, Steck, Williamson, McNeil, Lakeway and Daffin Gin Substations.

These circuit breakers are the link between the substation power supply and the end user or customer's distribution feeder circuits. The breakers will open during fault conditions in order to limit damage due to high current to the end user. The air magnetic type breakers being replaced are considered obsolete technology and Austin Energy has recently had a high failure rate.

MBE/WBE Solicited: 0/2 MBE/WBE Bid: 0/0

PRICE ANALYSIS

- a. Adequate competition.
- b. Twelve notices were sent, including two WBEs. There are no known MBEs. Two bids were received, with no response from the WBEs.
- c. The pricing offered represents an 11% increase to the last contract award in November 2004. The current contractor is Powell Elect. Manuf.

APPROVAL JUSTIFICATION

- a. Lowest bids received.
- b. The Purchasing Office concurs with Austin Energy's recommended award.
- c. Advertised on the Internet.

